THE UNIVERSITY OF CHICAGO

ROUND TABLE

GRADE LABELING

A Radio Discussion by NEIL JACOBY
JULIAN VERST *and* COLSTON WARNE

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no. 297-301

09TH BROADCAST IN COOPERATION WITH
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UMBER 297 * * * NOVEMBER 28, 1943

Around the Round Table . . . .

NEIL H. JACOBY, secretary of the University of Chicago and professor of finance in the School of Business at the University, did his undergraduate work at the University of Saskatchewan and for his graduate work came to the University of Chicago, where he was granted his M.A. and Ph.D. degrees. Under Governor Horner he served as supervisor of the Legal and Research Division of the Department of Finance of the State of Illinois, where he worked especially on the sales tax. Mr. Jacoby has had experience in private business as manager of the research department of the investment banking and counsel firm of Lawrence Stern and Company. He served as chairman of the Illinois Emergency Relief Commission during 1939 and 1940. Dr. Jacoby has written many articles and reports, and he has authored *Retail Sales Taxation* (1938) and *Intergovernment Fiscal Relations in Illinois* (with Leland and others) (1938) and is co-author of *Term Lending to Business* (1942) and *Accounts Receivable Financing* (1942).

JULIAN VERST, who was born in Chicago in 1900, is a prominent spokesman in the field of marketing and distribution. He is the publisher of two grocery trade papers, *Wholesale Grocer News* and the *Successful Grocer*. In May, 1943, he appeared before the Congressional Committee on Grade Labeling, which was investigating the general problems of grade labeling.

COLSTON WARNE, professor of economics at Amherst College, is a native of Romulus, New York. He received his A.B. and M.A. degrees at Cornell University and his Ph.D. degree from the University of Chicago. Before joining the Amherst College faculty in 1930, Professor Warne taught at Cornell University, the University of Pittsburgh, the University of Denver, and the University of Chicago. He is especially interested in the problems of the consumer and is the president of the Consumers' Union of the United States. At the present time he is serving as a consultant to the Coordinator of Fisheries. He is the author of *Consumers Cooperation in Illinois* (1926) and co-author of *Labor Problems in America* (1938) and of *Consumer Education in America* (in press).

GRADE LABELING

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MR. JACOBY: We are discussing today a real issue which is of prime importance to millions of housewives in America. The issue concerns the quality and the cost of the goods that these housewives buy in wartime days when most families are watching their budgets.

Unfortunately, the recent debate in Congress over compulsory grade labeling was not a clear or valuable one, because the issues were covered up by a conflict of businessmen and governmental administrators who, apparently, had differing social and economic philosophies. Today, we have two experts—Warne, head of the Consumers' Union, and Verst, publisher of trade journals. My job is to see that you gentlemen really deal with the basic issues and answer the questions that are important.

What is your general view, Warne, on compulsory grade labeling?

MR. WARNE: Of course, I am for compulsory grade labeling! It has always been needed. Today, it is imperative if we are to have effective price control. The consumer wants to know what he is getting in goods. Grades have been used, for example, in canning for years in the wholesale trading. Grade A commands a higher price than Grade B. Consumers, if they are to help in price enforcement, will demand a specific grade on goods.

The government has used compulsory grading in connection with its purchases. It buys on specification. Canada has used compulsory grading, particularly with reference to canned fruits and vegetables. We, too, need compulsory grade labeling.

MR. JACOBY: Where do you stand, Verst?

MR. VERST: I would, as a consumer, rather depend upon the manufacturer's desire to please me as the way to insure that I get my dollar's worth than to have a government order to him to tell him what to do for me.

The known brand is the best insurance for the present-day consumer. It is the most intelligent adjustment between mass production, with all of its benefits, and the need of assured quality among consumers.

We would all agree that mass production is the essence of our national progress. It is the basis and the first condition of our highest standard of living.

MR. WARNE: I guess we disagree, though, about this grade labeling. Perhaps Jacoby might explain what he thinks.

MR. JACOBY: Before I tell you my views, I would like to tell you what Congress has done and what its views are. It plainly said, last June, that nothing in the Emergency Price Control Act, which defines the powers of OPA, shall be construed as authorizing the elimination of any brand or trade name or as authorizing the OPA Administrator, Mr. Bowles, to require the grade labeling of any commodities. Therefore, apparently we are not to have grade labeling as an OPA requirement for some time.

I think, however, that we ought to take note of the fact that we have many laws and many practices now that do set up grades or standards for commodities. We know that Uncle Sam buys all his goods—uniforms for the Army and tanks and guns and all the rest—on specifications and standards.

The University of Chicago ROUND TABLE. *Published weekly. 10 cents a copy; full-year subscription, 52 issues, two dollars. Published by the University of Chicago, Chicago, Illinois. Entered as second-class matter January 3, 1939, at the post office at Chicago, Illinois, under the Act of March 3, 1879.*

We know that the Food, Drug and Cosmetic Act makes wide use of minimum standards for foods, drugs, and cosmetics. We know that sixty-three canning companies are now voluntarily having their products graded under United States Department of Agriculture inspection and are selling them under a grade label. We know that industry has made wide use of guarantees and various other practices, which do set up standards of quality. Therefore, the argument today, I take it, is really on the compulsory extension of a movement that is already in process—a movement to give the consumer more information about what he buys.

I am sorry that we cannot mention specific names and brands on this University of Chicago ROUND TABLE for fear of getting into trouble.

MR. WARNE: I am sorry, too.

MR. VERST: Whatever academic claims may be advanced for A-B-C labeling as a good social reform in the long run, right now the possible benefits are too small in comparison with the cost, the energy, and the effort which would be needed for a new readjustment on the part of consumers and on the part of grocers.

MR. JACOBY: Before we get into the debate, I think that there are three separate issues that are presented. One is the question of whether labeling of goods should be made compulsory by government or whether it should be voluntary. I would like to ask each of you what you think about it. Warne?

MR. WARNE: I will step in there. In OPA orders there are already two hundred and ninety standards, of which about two-thirds are standards which have been laid down and accepted in the trade for years. Ninety of these come from government agencies; only forty-one were developed by OPA. We have a widespread use of

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standards, and today if you walk into a great many chain stores or cooperatives, you will find grade labeling which follows the government standards. This is not any great innovation; it is part of a logical price development.

MR. JACOBY: Verst, what do you think?

MR. VERST: It takes money to establish consumers' demand, and all the money in the world will not suffice unless uniform quality, reasonable prices, assured responsibility, and improvements go always with the brand name.

MR. JACOBY: There is another issue here, and that is whether the labels on consumer goods should be what we might call "informative"—that is, merely say that the goods contain such and such physical qualities rather than grades. In the case of vitamin tablets, for instance, we buy them according to the number of units of vitamin A, B, B_1, and so forth, that they contain, and not according to whether they are Grade A, B, and C. What is your view on this issue?

MR. WARNE: I feel that informative or descriptive labeling really helps not at all with respect to price control. The vitamin industry is a beautiful one to illustrate the point, because it is so chaotic. In the first place, the advertisers make one feel that life will not endure unless a rush is made for vitamin tablets, whereas, actually, from a consumer's standpoint, most consumers ought to seek medical advice, and not the shrieking over the radio, when they are considering the question of their health.

If we are going to have vitamin tablets, let us have them developed under medical standardization and have them taken, likewise, with some rhyme or reason instead of on the present highly costly advertised basis.

MR. JACOBY: Verst, can you grade vitamin tablets "A," "B," and "C"?

MR. VERST: I doubt whether that would be wise, because, when a minimum is established, that too often becomes the maximum. We choose our physicians, our dentists, and our lawyers by reputation. Reputation is a brand name. Everything in life important to us has a name. I am sure that the purchasers of vitamins, on the whole, buy by brand name—namely, reputation.

MR. JACOBY: Let us sharpen up the discussion still further. What about the issue of grade labeling for producers' purchases as against consumers' purchases? We know that producers widely buy their raw materials on grades and standards; consumers do not. Should it be extended to the consumer?

MR. WARNE: It should. In fact, that is what the present fight is about. In the canning industry the grades are there, and the fancy articles command a premium in the market. What we are suggesting is that, as a means of helping price control, a simple A-B-C scheme be used which would be carried right through to the consumer, as it is now done on the producer level.

MR. VERST: If we were to have that, the government would need thousands of supervisors and checkers and tasters to insure the consumer that he is getting something clearly established when he buys an A or a B item. There would be thousands and thousands of complaints every day from dissatisfied consumers. Mark you, some of this dissatisfaction may be purely imaginary, owing to the fact that the consumer will open the can with suspicion—or, at least, with some doubt.

MR. WARNE: Let me cut in on you there. Here you have, in your own canning industry, an illustration of that. I am quoting from a

canning journal which says: "Right now grades are being forgotten and anything edible commands a fancy price. Standard tomatoes are sold as fancy tomatoes."

You have the grading, but in the absence of the mark on the label the consumer does not know what the grade is. In the months to come, consumers, all over this country, are going to be buying these brands, the thousands of advertised brands, paying fancy prices where actually they are getting relatively low-grade stuff.

MR. JACOBY: I am going to part you gentlemen for a moment in order that we can proceed to what seems to me the first and most important major question we should discuss. Should grade labeling be used as an aid to wartime price control, or is it really a long-run reform in our economic system?

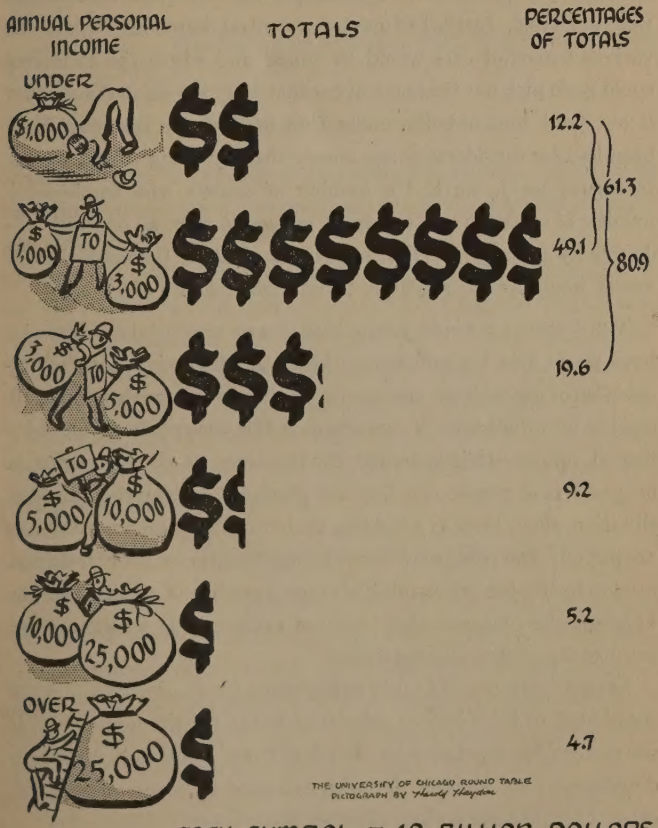
MR. WARNE: I think that it is both. Right now it is imperatively necessary. As I have put it before, a conspiracy of national advertisers, publishers, and reactionary congressmen, abetted by a former division head of OPA, have raised this issue in order to scuttle effective price contol, particularly in the canned-goods field. Now the conspirators are moving ahead to establish a system of pricing in that field which will be entirely divorced from the traditional grades which have long been accepted. I think that this ought to be adopted now, but I think it has long-run significance, too.

MR. VERST: If I understand you correctly, the real issue that you are for is reduced prices for the consumer, as you stated it.

MR. WARNE: Reduced prices for quality which is fixed at some clear level.

MR. VERST: The consumer's ideal has always been a big income

HOW THE NATIONAL INCOME IS DIVIDED



and a low cost of goods. The two are incompatible; it cannot be that way.

The American way of doing things is the extravagant way, fortunately. I cite as an example the pre-war days when automobiles were available. Instead of having a central warehouse where the various makes of cars would be stored and where the consumer could go to pick out the make of car that he or she wanted and drive it out (and, undoubtedly, under that method the car could have been had for considerably less money than by doing things the extravagant way), we had a number of dealers who employed a number of salesmen and a number of service men, all of which undoubtedly added to the cost of that car. But, at the same time, it was an important contribution to our high standard of living.

MR. JACOBY: I would debate with you on some of the points you have made, but I would like to bring the discussion back to the question of the wartime emergency. We know that money income is coming into the hands of consumers in this country in an unprecedented volume. It is booming! On the other hand, the quantities of goods that people can buy are gradually contracting. In this situation, then, there is a bidding-up of prices, unless price ceilings are put on. The point that we are facing today is whether we do not need to fortify the price ceiling with some grading of quality in order to assure the consumer that he is not really paying a higher price, because the quality is going down.

Let me illustrate. If I buy a pair of shoes for five dollars and if the shoes used to have leather soles that lasted me six months and if today they have paper soles that last three months, it makes no difference to me whether the price had gone up to ten dollars, because I would have to buy twice as many pairs.

Now would you protect the consumer against that quality deterioration during wartime, when everyone is scrambling for goods?

MR. VERST: The manufacturer, as I stated before, who has spent a great deal of money to establish a brand name is not unmindful of the fact that he wants to remain in business tomorrow. He will not deliberately deteriorate his brand.

MR. JACOBY: Wouldn't it be profitable for him to do so, at least for the short run?

MR. WARNE: And he does it!

MR. VERST: Not among our successful businessmen unless, owing to wartime restrictions, the best possible supplies were not available to him.

Actually, when denied the present comforts of shopping, owing to the reliance on the quality of advertised brands, for self-protection the consumer will seek other ways of selection. For instance, if he prefers the flavor of Oregon peaches, of Illinois oats against Iowa oats, of California oranges, of Florida grapefruit, even if they are not sold at a premium because of ceiling prices, the products of other states may find themselves in disrepute, and many states would suffer.

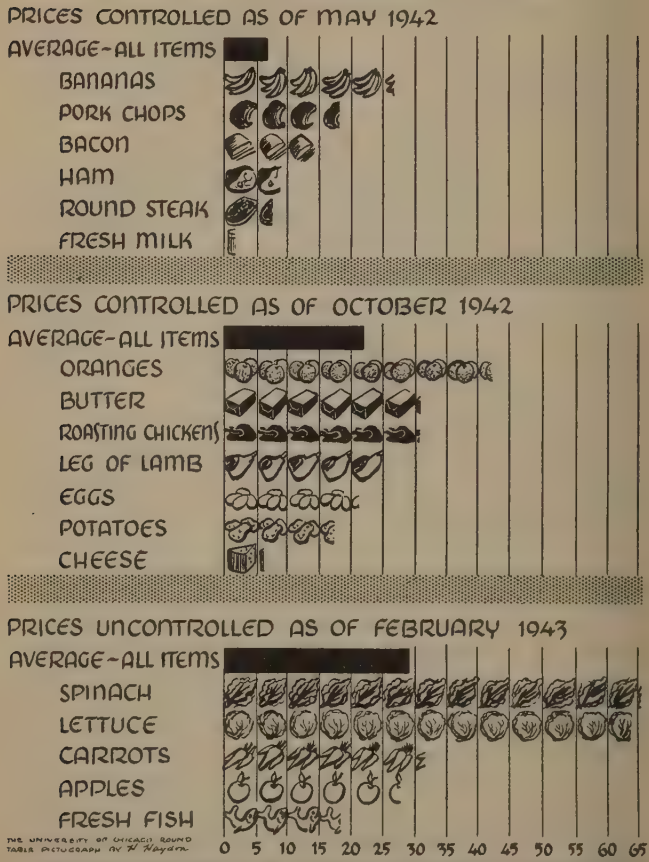
MR. JACOBY: What do you say to that argument, Warne?

MR. WARNE: I look at it this way. We have tested a good many products in the Consumers' Union in recent years, and we do not find any relationship between the price charged by manufacturers and the quality they have put into articles. There are wide ranges of variation. The claim that advertising somehow mysteriously always gives the consumer the best bargain we deny.

MR. JACOBY: There is another question that relates to grade labeling during wartime, and that is whether it would not be sufficient to have the manufacturer put a label on the carton or the

PERCENTAGE RISE OF FOOD COSTS

February, 1942—February, 1943



The specific items listed under "Average—All Items" are selected and do not include all products making up the average. Source: Department of Commerce and Department of Labor.

package that goes to the wholesaler and the retailer, indicating the grade, without necessarily requiring that the retailer display the grade to the consumer or that the label actually be put on the container that goes to the consumer.

MR. WARNE: That is a great method of causing the system to break down. If you have the label coming through to the consumer, the consumer will know the quality, and if the article does not attain the quality, he has a claim. If it does not come through to the consumer, there will be the same thing that we have at present in the canning industry—chaos, with all goods being fancy grade.

MR. VERST: Actually, the established brand, by being advertised, has made a very important contribution to the consumer in this manner. Through mass production the advertiser established not only a price floor but a natural price ceiling that worked in this way. When a supplier plans on marketing an item competitive with the advertised brand, his first thought must always be for how much less than the advertised brand he must offer his product to the consumer if he is going to go anywhere with it.

MR. WARNE: In other words, the manufacturer of the advertised brand puts the price higher because of the advertising, and the other people climb up to the level set by the manufacturer who has thus gotten the market.

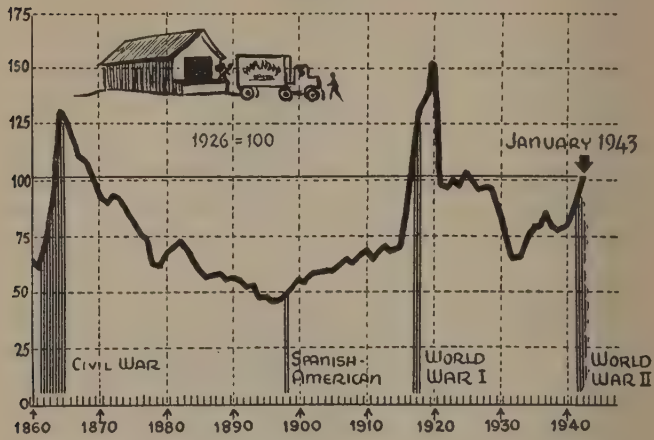
MR. VERST: It is natural and human for every man in business to get as much for his product as the traffic will bear.

MR. WARNE: You are dead right!

MR. VERST: The advertised brand has established an automatic ceiling in that way; otherwise, prices might be a great deal higher.

THE TREND OF WHOLESALE PRICES

1926 = 100



Source: Department of Commerce

MR. WARNE: They are high enough!

MR. VERST: There is still another factor. I have asked a number of wholesalers and retailers what part of their cost of doing business they would estimate is absorbed by the manufacturer who makes an investment in promotion, and, because of that investment, his merchandise comes to them practically presold.

In every case the distributors have answered: "As a result of the promotion, where the merchandise moves through our warehouses and our stores easily, it is possible for us to handle the merchandise at a much smaller gross margin of profit."

MR. WARNE: You are absolutely right.

MR. VERST: With a consequent saving to the consumer.

MR. WARNE: You are absolutely right. The margins are narrower, but, with two billion dollars being spent nationally for advertising, the initial cost is exceedingly high, so that the advertised brands, with their price-fixing arrangements, come at a much higher total for the consumer.

MR. JACOBY: I would like to point out that the Twentieth Century Fund, in a study of selling expenses, found that advertising accounted for around 3 per cent of consumer payments for consumer goods. This is quite substantial, but it is a lot less than most people imagine.[1]

I would like, however, to cut you short on this issue in order to pass to another major area of discussion. I would like to raise it by asking to what extent it is feasible to apply grade labeling to all kinds of consumer goods, having in mind the fact that people buy, in general, three kinds of items—foods and drugs, which we have discussed so far; shoes and clothing; and furniture and other durable goods like refrigerators, vacuum cleaners, automobiles, and so on. Assuming that it is feasible to grade canned goods, how far can the grading process be extended to these other categories of goods?

MR. WARNE: My judgment would be that you can extend it far more widely than the ordinary person imagines. The government, not only in buying tanks but in buying tires, gasoline, and thousands of other things, has developed standards, and these standards could be employed for consumer enlightenment if we only went ahead to do it.

MR. VERST: How would you grade style in millinery?

MR. WARNE: I am not interested in pressing this to the point of,

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[1] See Paul W. Stewart and J. Frederic Dewhurst, *Does Distribution Cost Too Much?* (New York: Twentieth Century Fund, 1939).

let us say, grading the tilt of a woman's hat. But I do think that the fabric can be identified and that the wearing quality today is awfully important. When one sees the shoddy material that is being put out by many manufacturers at ceiling prices, one will catch what I have in mind.

MR. JACOBY: Yes, but isn't it true that, in normal times, a woman will buy a gown not mainly for the tensile strength of the fabric but for the styling and its color and other factors which cannot be reduced to a formula and put into a grading system?

MR. WARNE: Yes, often in the luxury trade it is true, but right now (and I think that here is the real argument), in an all-out war, we cannot afford to expend human energy putting out too many luxuries. We likewise cannot afford to expend human energy in making goods that are so shoddy that they fall apart the next day.

MR. JACOBY: We are discussing, not the issue of compulsory grade labeling as a wartime measure, but as a long-time matter and reform.

MR. WARNE: Yes. I think that the limits in peacetime are probably less exacting than in wartime, but I do think that much can be accomplished by having these basic standards, which producers today accept, extended through to consumer goods and amplified and given a definiteness so that, instead of buying by brand—and our testing shows it so vividly—one would have a method of buying directly by some sort of basic standard, governmentally set.

MR. VERST: The competitive profit system is still the best control system. It is natural; it is open to all.

MR. WARNE: But I deny that we have a competitive profit system today.

MR. VERST: Oh, no.

MR. JACOBY: Maybe what we need to do is to make the competitive system work.

MR. WARNE: Yes, now you are talking.

MR. JACOBY: Then we will not need so much grade labeling.

MR. WARNE: We will need grade labeling to make it work, won't we?

MR. JACOBY: That gives rise to the third question which I think ought to be faced squarely in this discussion. Is grade labeling a threat to the advertising business or, more broadly, to the competitive system?

What do you say to that?

MR. VERST: That would depend entirely upon the mechanics of the grade-labeling system which we were to have and which I hope we won't have.

For example, there are those who advocate that, with grade labeling, the prominent feature of the label should be the grade and that the manufacturer's name be in small type at the bottom of the label. In my opinion, that would seriously affect advertising. If that were to happen, it would seriously interfere with our economic progress.

MR. JACOBY: Let me ask why it should affect advertising. If consumers have presented to them not merely a brand name but also a grade, would that not lead the producer to try to spend more money on advertising in order to reinforce the effect of his brand on consumers, and thus to restore the influence of the brand on their choice of goods?

MR. VERST: That perhaps would be a reasonable prediction to make, unless compulsory grade labeling were in such form as to make the identity of the brand practically impossible—that is, I repeat, by forcing the supplier to have the name only in small type at the bottom of the label.

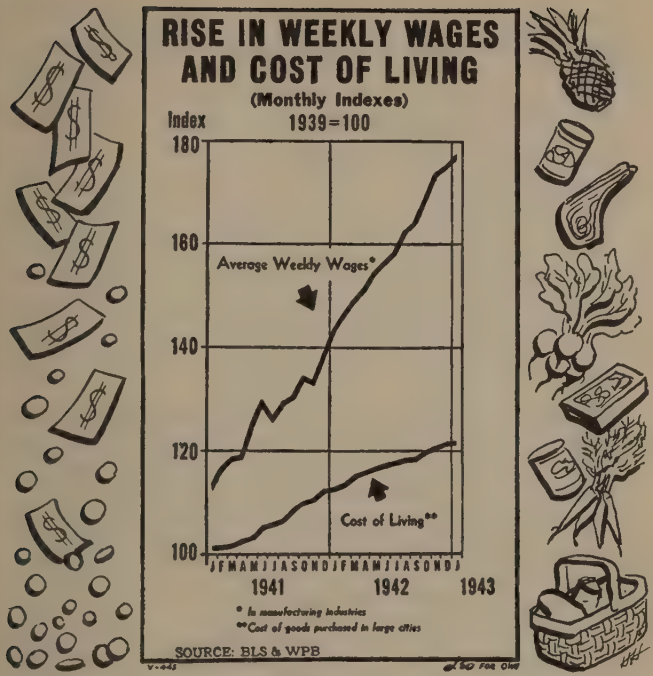
MR. WARNE: Whoever proposed that? I have not known of anyone's proposing such a simplified scheme.

MR. VERST: I have heard of those proposals.

Now, advertising is a tremendously important force in making this a great country. It has created many wants. One of the reasons for the success of this country is that Americans "want" for things. For example, other countries, such as Mexico, have discovered that one of the reasons for their lack of progress and their low plane of living is that their people do not want for enough things.

MR. WARNE: Really, this is not the fairy-story hour. What we actually have is a technology which, in America, has advanced greatly, and, owing to the fact that somehow, up until recently, consumer incomes were not adequate to clear the goods off the market, we had amplified advertising, shrieking to the high heavens on the radio about inconsequential values. Advertising did *not* make the technical advance.

MR. JACOBY: We do know that for many years Canada has required grade labeling of a number of food products. We also know that in this country the Food, Drug and Cosmetic Act has for a long time set minimum standards for foods, drugs, and cosmetics. Yet, I think that if you analyze advertising appropriations in the United States, you will find that those three industries account for the great bulk of all advertising. I fail to see any evidence that their ad-



vertising outlays have decreased as a result of those standards or those gradings.

Mr. Warne: I think that you are right, Jacoby, but I would not want to leave the argument at that point. I think that probably certain national advertisers who have depended on building an inferior product, through a kind of fictitious individuality, into a high-priced affair are going to suffer. Probably, their advertising will be less effective when there is the proper governmental grade labeling.

So, looking ahead, the meritorious products may improve their advertising by having a better selling argument. The other ones will not.

MR. VERST: Warne, there you and I differ. I restate that it takes money to establish consumers' demand.

MR. WARNE: Right.

MR. VERST: All the money in the world will not suffice unless uniform good quality, reasonable prices, and assured responsibility go with the brand name. Those advertisers that you describe will have a very short life, at best. You cannot continue to fool the people.

MR. JACOBY: I would like to raise a very sharp question. Verst, supposing you were to win your side of this argument and suppose that there should be no grade labeling whatever of any kind of consumer goods required, what consequences do you think would flow from that fact for the consumers of the United States?

MR. VERST: If we were to have no grade labeling?

MR. JACOBY: No grade labeling of anything.

MR. VERST: It would work in this way. We would continue to have our present free system of marketing. By "free system," I do not mean wild free; the government always remains the umpire and the referee. We would continue to depend upon the competitive system.

MR. JACOBY: Warne, I would like to ask you the same kind of question. Supposing you were to lose your fight for compulsory grade labeling all over the field of consumer goods, what consequences do you think would follow for consumers?

MR. WARNE: I think that what would happen would be the

breakdown of price control. I should substitute, if I lost my fight, invoice labeling, key specifications, and minimum standards which would bulwark, to some degree, the need of the day to key goods to quality.

MR. JACOBY: Gentlemen, I am going to give you each one minute to make a summary of your views, and pardon me if I cut you short after the minute, because time grows short.

MR. VERST: Manufacturers have done a good job of building up confidence in their nationally advertised brands and have earned the respect of the public. Grade labeling requires oversimplification. It ignores such subtle factors as style, appearance, and flavor. Grade labeling would gradually cut quality. To compete on a cost basis under grade labeling, the manufacturer would have to work downward to the lowest standard permitted in each group.

Grade labeling could not be uniform. A product on the border line might be classed "A" by one inspector and "B" by another. High-quality B could be wholly as good as lower-quality A. The customer, looking at the symbol, could not tell whether the product was near the top or the bottom of its grade.

MR. JACOBY: All right, Warne, what is your summary?

MR. WARNE: It is this. We need today grade labeling with dollars-and-cents ceilings as a means of putting a floor beneath quality. All the objections concerning the consumer, I think, are irrelevant. What you have is a widespread consumer demand for specifications and grading, and you would have the elimination of the type of high-pressure advertising in wartime which today has been really a national scandal.

MR. JACOBY: Gentlemen, I think that my own summary falls between both of yours.

In the first place, I doubt if anyone can disagree with the general proposition that there should be an extension of consumer information. That would be a very desirable development.

In the second place, I think that there are special arguments for imposing compulsory grade labeling on more or less standard food products during wartime, when avoidance of severe price inflation is a primary need. Here I think that I disagree with Verst.

Thirdly, I would doubt whether it is feasible to apply compulsory grade labeling very far beyond standard food products because of the importance of style and flavor and color and other factors that cannot very well be evaluated and included in a grading system. Here I think that I part company with Warne.

Finally, I do not believe that the extension of grade labeling, even a compulsory grade-labeling system, will seriously affect the advertising business or that it constitutes a threat to the competitive system. Here, Verst, you will notice I disagree with you.

Producers are going to continue to advertise their products, even if they are graded and labeled with grades, in order to emphasize the brand name to the consumer.

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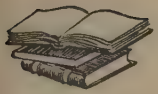

More on This Topic

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What Do *You* Think?

1. Should compulsory grade labeling under government supervision and inspection be adopted? What are the interests of the various groups concerned with this issue?

2. To what extent does the economy already have grade labeling in one form or another? Do you favor optional or informative grade labeling? What commodities are continuously being inspected and graded by the government?

3. Is grade labeling an essential part of an effective price-control program? Do you agree with Mr. Jacoby that there are special reasons for justifying grade labeling in wartime that do not hold in peacetime? Would grade labeling in wartime be an expensive and cumbersome drain on the nation's manpower? How is the problem of price change through deterioration of quality to be met if grade labeling is not used?

4. Is grade labeling a substitute for or a threat to advertising? If so, in what way? Does the type of grade labeling advocated by Mr. Warne imply the elimination of nationally advertised brands? What is the relation of advertising and a free-enterprise economy?

5. What are the practical difficulties in grade labeling? Does it ignore important factors such as style, appearance, and flavor? Or are there important benefits that would accrue to the consumer if he knew and was given the same information that the retailer gets from the manufacturer?

6. What is the state of public opinion on the controversy about grade labeling? What is the importance of consumer education? What has been the Canadian experience with grade labeling? Should consumers be represented by a lobby in Washington?

The People Say....

The following letters are representative of the views expressed by the ROUND TABLE *audience on "Should Subsidies Be Used To Hold Prices Down?" broadcast November 21, 1943.*

*

Let Us Have Selective Subsidies

In my humble opinion, about the best thing that has come over the air in months was your ROUND TABLE discussion today about subsidies. Everyone in our U.S.A. should have heard it and become enlightened thereby. There are subsidies—and *subsidies*. The question is what kind one is talking about. Your answer had to do with the selective kind and was very good, indeed. Let us have subsidies, but let us make them selective! —*A listener from Morrison, Illinois.*

*

Can Withstand Increase in Prices

....Most war-work wage-earners of today could withstand quite an increase in the cost of food and suffer very little privation. On the other hand, the great unwashed who are not members of organized labor would face desperate conditions by any increase in the present price of food. War-work wages are simply a subsidy today. The seed of inflation was planted long ago when we allowed organized labor to demand and secure increased wages so that the present scale is far in excess of the requirements of a decent standard of living and greatly beyond a fair and just compensation for work performed.....—*A listener from Peoria, Illinois.*

*

A Makeshift

I enjoyed your ROUND TABLE today on subsidies. Of course, a subsidy is only a makeshift for something which is out of kilter farther down the line. It is like other "economic aspirins." But one of these days we will find out just what *causes* the headache. —*A listener from West Englewood, New Jersey.*

*

Enlightening

I wish to congratulate the ROUND TABLE upon the timely and enlightening discussion of food subsidies.—*A listener from Cambridge, Massachusetts.*

*

Disappointed

Today, as always, I listened to your program and was disappointed in the discussion. With only two exceptions,

it was filled with generalities and name-calling, and I did not learn enough to make a sound decision. Why not deal with more specific facts?—*A listener from Rapid City, South Dakota.*

*

Do Not Want To Lose Rest of My Savings in High Prices

Some of the statements on yesterday's ROUND TABLE aroused my ire—not because the speakers were so stupid as to be opposed to subsidies. I was annoyed rather because it was intimated that I, and thousands in my category, should not eat butter, whole milk, etc. Yes, those things are only for the rich! That is the trouble—people believe that "any old thing is good enough for the poor."

With millions of others, I lost the greater part of my investments in the panic of 1929 (not stock-market transactions, but investments considered safe). I do not want to lose the rest of my savings by removing subsidies and giving inflation every opportunity to increase. . . . . —*A listener from New York, New York.*

*

Impartial, Excellent

It was certainly a pleasure to hear an impartial, objective, and constructive discussion of the subject of subsidies. It is regrettable that we could not have had some of the ideas such as those on selective subsidies brought out in the congressional debate. Thanks for the excellent service. —*A listener from Los Angeles, California.*

*

All Foods Should Be Subsidized

I cannot agree with the idea that we should start the stamp plan again or the soup kitchen for certain classes whose income has remained fixed in this war. You set a class apart and make them conspicuous. Selective subsidies are for the unfortunate. I think that all foods should be subsidized. . . . . —*A listener from Washington, D.C.*

*

Back of the Subsidy Opposition

In your discussion of subsidies you were careful to avoid mention of the real issue involved in the subsidy controversy. You are unquestionably aware that those who lead the fight against subsidies are those who speak for persons who want no restrictions placed on profiteering. I am not referring to the bona fide farmers, for they are merely dupes for the real culprits, in so far as they demand unlimited prices for farm products. They will suffer as much as labor from the inflation which the real foes of subsidies deliberately seek. . . . . —*A listener from Roseville, California.*

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1:30 P.M. EASTERN WAR TIME

City	*Call Letters*	*Kilo-cycles*	*City*	*Call Letters*	*Kilo-cycles*
Allentown, Pa.	WSAN	1470	Martinsville, Va.	WMVA	1450
Altoona, Pa.	WFBG	1340	Miami, Fla.	WIOD	610
Asheville, N.C.	WISE	1400	New York, N.Y.	WEAF	660
Atlanta, Ga.	WSB	750	Norfolk, Va.	WTAR	790
Bluefield, W.Va.	WHIS	1440	Philadelphia, Pa.	KYW	1060
Boston, Mass.	WBZ	1030	Pittsburgh, Pa.	KDKA	1020
Charleston, S.C.	WTMA	1250	Portland, Me.	WCSH	970
Charleston, W.Va.	WGKV	1490	Providence, R.I.	WJAR	920
Charlotte, N.C.	WSOC	1240	Raleigh, N.C.	WPTF	680
Cincinnati, Ohio	WLW	700	Reading, Pa.	WEEU	850
Clarksburg, W.Va.	WBLK	1400	Richmond, Va.	WMBG	1380
Cleveland, Ohio	WTAM	1100	Rochester, N.Y.	WHAM	1180
Columbia, S.C.	WIS	560	Savannah, Ga.	WSAV	1340
Detroit, Mich.	WWJ	950	Springfield, Mass.	WBZA	1030
Florence, S.C.	WOLS	1230	Springfield, Ohio	WIZE	1340
Grand Rapids, Mich.	WOOD	1300	Syracuse, N.Y.	WSYR	570
Greenville, S.C.	WFBC	1330	Tampa, Fla.	WFLA	970
Greenwood, S.C.	WCRS	1450	Toledo, Ohio	WSPD	740
Jacksonville, Fla.	WJAX	930	Washington, D.C.	WRC	980
Johnstown, Pa.	WJAC	1400	Williamsport, Pa.	WRAK	1400
Harrisburg, Pa.	WKBO	1230	Wilmington, Del.	WDEL	1150
Lakeland, Fla.	WLAK	1340	Winston-Salem, N.C.	WSJS	600
Lima, Ohio	WLOK	1240	York, Pa.	WORK	1350

12:30 P.M. CENTRAL WAR TIME

City	Call Letters	Kilocycles	City	Call Letters	Kilocycles
Birmingham, Ala.	WBRC	960	Louisville, Ky.	WAVE	970
Bismarck, N.D.	KFYR	550	Madison, Wis.	WIBA	1310
Chicago, Ill.	WMAQ	670	Mankato, Minn.	KYSM	1230
Dallas, Texas	WFAA	820	Memphis, Tenn.	WMC	790
Des Moines, Iowa	WHO	1040	Mobile, Ala.	WALA	1410
Duluth, Minn., and Superior, Wis.	WEBC	1320	Montgomery, Ala.	WSFA	1440
Eau Claire, Wis.	WEAU	1070	Nashville, Tenn.	WSM	650
El Paso, Texas	KSTM	1380	New Orleans, La.	WSMB	1350
Evansville, Ind.	WGBF	1280	Oklahoma City, Okla.	WKY	930
Fargo, N.D.	WDAY	970	Omaha, Neb.	WOW	590
Fort Wayne, Ind.	WOWO	1190	Rochester, Minn.	KROC	1340
Hattiesburg, Miss.	WFOR	1400	St. Cloud, Minn.	KFAM	1450
Hibbing, Minn.	WMFG	1240	Shreveport, La.	KTBS	1480
Houston, Texas	KPRC	950	Sioux Falls, S.D.	KSOO	1140
Indianapolis, Ind.	WIRE	1430	Springfield, Mo.	KGBX	1260
Kansas City, Mo.	WDAF	610	Terre Haute, Ind.	WBOW	1230
Kingsport, Tenn.	WKPT	1400	Tulsa, Okla.	KVOO	1170
La Crosse, Wis.	WKBH	1410	Virginia, Minn.	WHLB	1400
Little Rock, Ark.	KARK	920	Wichita, Kan.	KANS	1240

11:30 A.M. MOUNTAIN WAR TIME

Albuquerque, N.M.	KOB	770	Phoenix, Ariz.	KTAR	620
Billings, Mont.	KGHL	790	Pocatello, Ida.	KSEI	930
Boise, Ida.	KIDO	1380	Safford, Ariz.	KGLU	1450
Bozeman, Mont.	KRBM	1450	Salt Lake City, Utah	KDYL	1320
Butte, Mont.	KGIR	1370	Tucson, Ariz.	KVOA	1290
Denver, Colo.	KOA	850	Twin Falls, Ida.	KTFI	1270
Helena, Mont.	KPFA	1240	Yuma, Ariz.	KYUM	1240

10:30 A.M. PACIFIC WAR TIME

Bakersfield, Cal.	KERN	1410	Sacramento, Cal.	KFBK	1530
Fresno, Cal.	KMJ	580	San Diego, Cal.	KFSD	600
Los Angeles, Cal.	KFI	640	Seattle, Wash.	KOMO	950
Medford, Ore.	KMED	1440	Spokane, Wash.	KHQ	590
Portland, Ore.	KGW	620			

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Minneapolis, Minn.	WLB	770	Schenectady, N.Y.	WGY	810

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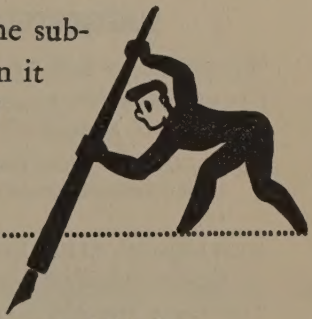

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TWO YEARS OF WAR

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[PRINTED IN U.S.A.]